

APPENDIX D

MINIMUM RECOMMENDED HTRW CONTRACTING CAPACITY FOR MILITARY HTRW DISTRICTS

| | Type of work | Contract type | Minimum # of contracts | Dollar value/duration |
|--|--|---|------------------------|------------------------------|
| Small ^{1/} Design District | Containerized HTRW, Fence, Roads, etc. | RFP Firm-fixed-price Indefinite delivery | 1-4 | \$5 M/3 yrs |
| | Study, Investigations, Design, Installation support | A-E Indefinite delivery Cost reimbursable Firm-fixed-price | 1-2 1-2 | \$12 M/5yrs |
| | Environmental Services | RFP Firm-fixed-price Indefinite delivery | 1-2 | \$3 M/3 yrs |
| | Remediation | RFP Cost-reimbursable Firm-fixed-price | 1-2 1-2 | \$50 M/5 yrs \$50 M/5 yrs |
| Large ^{2/} Design District | Containerized, HTRW Fence, Roads, etc. | RFP Firm-fixed-price Indefinite delivery | 4 | \$5 M/3 yrs |
| | Study, Investigations, Design, Installation Support | A-E Indefinite delivery Cost-reimbursable Firm-fixed-price | 1-2 1-2 | \$20 M/5 yrs \$20 M/5 yrs |
| | Environmental Services | RFP Firm-fixed-price Indefinite delivery | 1-2 | \$5 M/3 yrs |
| | Remediation | RFP Indefinite delivery Firm-fixed-price | 2 2 | \$50 M/5 yrs \$50 M/5 yrs |
| | Study/Design/Remediate Total Environmental Restoration Contract (TERC) | RFP Indefinite delivery Cost-reimbursable | 1 | \$200 M/10 yrs |

¹ Annual HTRW investigation and design workload less than \$15 million

² Annual HTRW investigation and design workload of a robust district approaching \$60 million

D-1. Recommendations

a. A group of contracts has been recommended for two categories of districts – the small HTRW Design District which has an annual HTRW study/design workload of up to \$15 million and the large HTRW Design District which has an annual HTRW study/design workload significantly more than \$15 million. The recommendation represents the minimum capability and may need to be increased depending upon district workload.

b. The recommended group of contracts is intended to be used as a “kit-bag” of contracting tools. The individual contract types supplement and complement each other. No one contract type is the right choice for every situation. The maximum use and effectiveness of each of the contract types is dependent on the HTRW design district acquisition of the entire family of recommended pre-placed contracts. Use of site specific contracts, both for design and remediation will always remain the preferred option of contracting where possible, and this type of contract should always be considered along with the pre-placed types when developing specific project acquisition strategy.

D-2. Small HTRW Design Districts

a. The small design district execute routine projects referred to as “containerized” HTRW projects. Containerized projects include excavating and arranging for disposal of underground storage tanks, drums, and PCB transformers, capacitors, etc. This district may also be called upon to perform normal construction activities to support an HTRW project such as the building of a road to the site or the construction of a fence around the site. To accomplish containerized waste, fencing and road type projects as well as small remediations, it is recommended that \$5 million pre-placed remedial action contracts be procured. These contracts should be firm-fixed-price indefinite delivery type (IDT) contracts. Their duration should be one year with two one-year options. The minimum number of these contracts required, one to four, is dependent on the workload at the HTRW design district. It is recommended that these contracts be set aside for small businesses that are trying to gain experience in the HTRW arena. These contracts can typically be procured as service contracts through the request for proposal (RFP) selection process.

b. In order to accomplish studies, designs, and to provide installation support, it is recommended that two to four Architect-Engineer (A-E) IDT contracts

be procured. Half of these contracts should be firm-fixed-price and the other half cost-reimbursable. The contract ceilings should be about \$12 million. Contract duration should be one year with four additional one-year options and must be procured using Brooks Act procedures. Again, the number of contracts required depends on assigned workload.

c. To complement in-house work and provide installation support, small design districts should procure one to two Environmental Services contracts. One of these contracts should be general in nature to allow preparation of non-HTRW environmental reports. The second contract would be for a limited number of specific services required at the District, e.g., geotechnical and/or chemical sampling and analysis. These contracts should be firm-fixed-price, IDT professional services contracts. For the general services contract, the total contract award should not exceed \$3 million with a duration of one year plus two one year options. The amount and duration of contracts for specific services will need to be determined by clearly identified local requirements. Districts may contract directly for chemical analyses of primary samples only after the Division Chemistry Laboratory has determined that it cannot meet the projected requirements in-house, by contract or through another Division Chemistry Laboratory. This limitation does not preclude sampling and analysis incidental to performance of a study or design under one of the above referenced A-E IDT contracts.

d. Small design districts are also responsible for accomplishing remediations. It is recommended that a minimum of two to four contracts be procured strictly for remediation. The contract ceiling should be \$50 million with a duration of one year plus four one year options. One or two of the contracts should be firm-fixed-price in order to handle those remediations in which there is substantial information and design. The remaining one or two contracts should be cost-reimbursable which should be utilized whenever components of remediation are unknown. Total number of contracts should be limited to those required to execute the district's potential workload.

e. It should be noted that for a small HTRW design district, procurement of a "cradle-to-grave" Total Environmental Restoration Contract (TERC) type contract is not recommended. Due to the limited workload of these districts, it is felt the work can be accomplished through the contracts recommended above. For many remediation projects, it is possible to concurrently execute a pre-placed A-E IDT

contract and a pre-placed remediation contract. The A-E can be directed to prepare interim packages for execution by the remediation contractor, in order to expedite point source removals, interim removals, etc. A cradle-to-grave contract should be reserved for special instances. It is recommended that in lieu of procuring their own TERC contracts, a small HTRW design district contact a large HTRW design district to utilize their TERC contracts on a case-by-case basis as the need arises.

D-3. Large HTRW Design Districts

a. Large design districts must also have small remediation contracts to handle containerized hazardous waste, fence building and road building, etc. It is recommended that a large design district procure four \$5 million firm-fixed price remediation contracts. The duration should be one base year with two one year options. Procurement of these contracts should be structured to encourage the development of HTRW contractors.

b. It is recommended that the district should procure a minimum of two \$20 million A-E IDT contracts with a duration of one base year and four one year options. One should be firm-fixed price and the other cost-reimbursable. Where more than two contracts are necessary, half should be cost-reimbursable and half should be firm-fixed price. The main intent of the contracts is to perform investigations, studies, design and installation support. These contracts must be procured using Brooks Act procedures.

c. To complement in-house work and provide installation support, large design districts should procure one to two Environmental Services Contracts. One of these contracts should be general in nature to allow preparation of non-HTRW environmental reports. The second contract would be for a limited number of specific services required at the District, e.g., geotechnical and/or chemical sampling and analysis. These contracts should be firm-fixed-price, IDT professional services contracts. For the general services contract, the contract ceiling should not exceed \$5 million with a duration of one year plus two one year options. The amount and duration of contracts for specific services will need to be determined by clearly identified local requirements. The limitations on sampling and analysis contracts discussed in paragraph 2 above also apply to Large HTRW Design Districts.

d. It is further recommended that the large design district procure a total of four large pre-placed remediation contracts. Two contracts would be cost

reimbursable and two firm-fixed price. The recommended contract ceiling is \$50 million. The contract duration should be one year with four one year options. These contracts would be used to perform remedial action work only. These contracts should be procured through an RFP.

e. The last contract recommendation is that the large HTRW design district, when approved by the PARC, procure a minimum of one Total Environmental Restoration Contract (TERC). A TERC is an environmental remediation contract that permits a single contractor to provide full clean-up services (cradle-to-grave) at certain large, high priority, time sensitive sites. Not every HTRW project is appropriate for using a TERC and these contracts should not be considered a replacement for all other contracting tools. The ceiling amount of this indefinite delivery type, cost reimbursement contract should generally not exceed \$200 million unless a higher workload has been identified and justified. The contract length should be four years with two three year options.

g. As discussed above for small HTRW design districts, the large HTRW design districts should limit the actual total number of contracts to those needed to execute the potential assigned program. The minimum number of contracts recommended is based on an annual study/design program approaching \$60M, and the number of contracts should be adjusted according if the district workload varies significantly from \$60M.